

31A-27a-209 Effect of order of rehabilitation or liquidation.

- (1) The filing or recording of an order of receivership with the following imparts the same notice as a deed, bill of sale, or other evidence of title filed or recorded would have imparted:
 - (a) the Third District Court for Salt Lake County;
 - (b) the recorder of deeds of the county in which the principal business of the insurer is conducted; or
 - (c) in the case of real estate, with the recorder of deeds of the county where the property is located.
- (2) The filing of a petition commencing delinquency proceedings under this chapter or the entry of an order of seizure, rehabilitation, or liquidation does not constitute a breach or an anticipatory breach of any contract or lease of the insurer.
- (3)
 - (a) The receiver may appoint one or more special deputies.
 - (b) A special deputy:
 - (i) has the powers and responsibilities of the receiver granted under this section, unless specifically limited by the receiver; and
 - (ii) serves at the pleasure of the receiver.
 - (c) The receiver may employ or contract with:
 - (i) legal counsel;
 - (ii) one or more actuaries;
 - (iii) one or more accountants;
 - (iv) one or more appraisers;
 - (v) one or more consultants;
 - (vi) one or more clerks;
 - (vii) one or more assistants; and
 - (viii) other personnel as may be considered necessary.
 - (d) A special deputy or other person with whom the receiver contracts under this Subsection (3):
 - (i) is considered to be an agent of the commissioner only in the commissioner's capacity as receiver; and
 - (ii) is not considered an agent of the state.
 - (e) The provisions of any law governing the procurement of goods and services by the state do not apply to a contract entered into by the commissioner as receiver.
 - (f) The compensation of a special deputy, employee, or contractor and all expenses of taking possession of the insurer and of conducting the receivership shall be:
 - (i) determined by the receiver, with the approval of the receivership court in accordance with Section 31A-27a-115; and
 - (ii) paid out of the property of the insurer.
 - (g)
 - (i) If the receiver, in the receiver's sole discretion, considers it necessary to the proper performance of the receiver's duties under this chapter, the receiver may appoint an advisory committee of policyholders, claimants, or other creditors including guaranty associations.
 - (ii) The committee described in this Subsection (3)(g) serves:
 - (A) at the pleasure of the receiver; and
 - (B) without compensation and without reimbursement for expenses.
 - (iii) The receiver or the receivership court in proceedings conducted under this chapter may not appoint any other committee of any nature.

Enacted by Chapter 309, 2007 General Session